

■ 2024

Annual Report

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ARDENT.TM
CREDIT UNION

Chairperson/CEO Report

In 2024, the economic landscape showed signs of stabilization. This was evidenced by a significant rise in consumer confidence during the second half of the year, potentially influenced by easing inflation concerns. Although interest rates remained relatively high, they began a gradual descent, and the labor market continued to demonstrate low unemployment numbers. This positive economic momentum allowed us to prioritize enhancements to our products and services to meet the evolving needs of our members.

We love interacting with our members face to face, but many rely on their phones, tablets and computers to do their daily banking. In 2024, we invested in technologies that simplify those interactions whether through eBanking, telephone or online. We shortened the application process, launched a new loan payment option and increased eBanking security. Additionally, we continued to improve Ardi, our AI bot, so she can answer many of your questions 24 hours a day.

One area fintechs seem to be beating traditional financial institutions is the speed and frictionless experience of filling out applications. In 2024, we partnered with one of the top fintech firms, which offers a best-in-class account opening experience. The new account opening

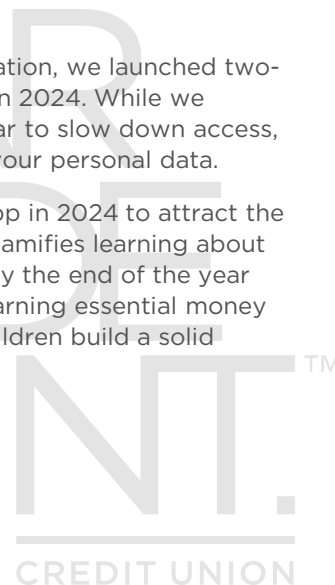
process has been met with tremendous response from our members and has reduced the online application process time by more than 20 minutes.

Improved and easy loan payment options was also a priority, so mid-year we launched MessagePay to allow payments through text messaging. It is a safe, secure and fast option to pay your Ardent loans.

To proactively safeguard our members' information, we launched two-factor authentication in our eBanking solution in 2024. While we understand that an additional step might appear to slow down access, this layer of security is essential to protecting your personal data.

We designed and launched the Money Ninja App in 2024 to attract the next generation of Ardent members. The app gamifies learning about money for this target membership group and by the end of the year had more than 300 active users. We believe learning essential money skills should start early and we want to help children build a solid foundation before they get to adulthood.

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Chairperson/CEO Report (continued)

Our members in our investment program saw their balances increase as the stock market's S&P rose over 23% during the year. This and relatively high interest rates made competition for deposits fierce in 2024. To stand out in this environment, we introduced several new CD specials to benefit our members, as well as ongoing competitive pricing on our SaveUP Account.

The Treasurer's Report shows we had a challenging year financially with nominal net income. Our net worth continues to remain over 10%, which is considered significantly above the National Credit Union Association's "well-capitalized" threshold. We ended the year with over \$850 million in assets and \$85 million in net worth.

We are cautiously optimistic about 2025. Consumer confidence took a hit as we started the year, but we remain committed to delivering products that will assist our members in any economic cycle. We remain committed to the credit union model and to operate fully as a financial cooperative. We work to earn your respect and business every day.

None of the success of 2024 would be possible without the amazing

dedication of our entire team. We thank them for their focus on furthering our mission of empowering people and strengthening our communities. Their efforts were recognized when Ardent was voted Philly's Favorite Credit Union this past year. We would also like to thank our volunteer Board of Directors and Supervisory Committee for their leadership and shared vision of all that is possible at Ardent.

We deeply appreciate your ongoing support as we strive to better serve you and thank you for your loyalty and membership.

Gloria Wilson,
Chairperson of the Board

Rob Werner,
President / CEO

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Treasurer's Report

As Treasurer, I closely monitor the financial decisions made throughout the year on behalf of the Credit Union's membership. I am pleased to report that the financial condition of Ardent remained strong in 2024, despite the significant challenges we've all faced in these uncertain times.

Strong economic growth and stubborn inflation was the theme for 2024. Interest rates and inflation remained high throughout the year. However, the Federal Reserve finally initiated easing with rate cuts totaling 100 basis points during the year. Despite the challenging environment, your Credit Union remains strong and committed to serving all your financial needs.

The regulatory net worth of Ardent Credit Union was \$85 million for the period ended December 31, 2024 with a net worth ratio of 10.23%, well above the 7.0% required to be considered "well-capitalized" by the National Credit Union Administration.

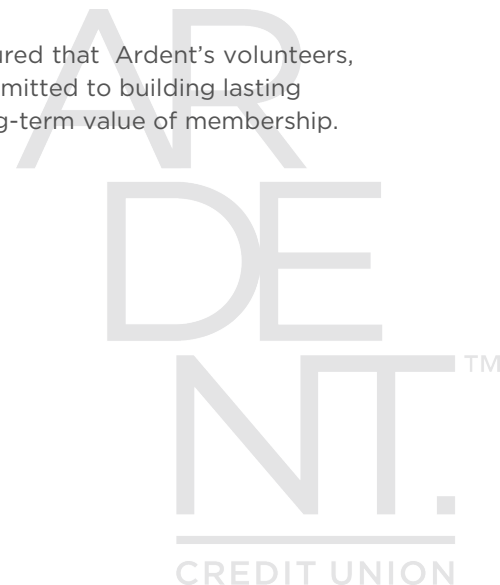
Ardent's total assets increased \$2.4 million to end the year at

\$853.2 million. Total loans decreased \$5.5 million, or 1.0%, as loan paydowns outpaced growth in originations. Deposit balances decreased 2.81% to \$681.7 million, as high interest rates resulted in greater competition for deposits. The Credit Union reported net income of \$82,000 in 2024.

With optimism for the future, be assured that Ardent's volunteers, management team and staff are committed to building lasting relationships that will sustain the long-term value of membership.

Audrey Klijian
Treasurer

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■ Statement of Financial Condition

Ardent Federal Credit Union
Consolidated Statements of Financial Condition

	December 31,	
	2024	2023
Assets		
Net loans to members	\$570,453,632	\$575,971,508
Cash and cash equivalents	71,526,583	56,903,330
Investments	140,534,941	152,809,631
Other assets	70,614,361	65,029,205
Total Assets	853,129,517	850,713,674
Liabilities and Members' Equity		
Liabilities		
Members' deposits	681,674,849	701,394,977
Borrowings	85,000,000	65,000,000
Other liabilities	14,984,783	15,546,892
Total Liabilities	781,659,632	781,941,869
Members' Equity		
Retained earnings (Net worth)	85,029,565	84,947,537
Accumulated other comprehensive loss	(13,559,680)	(16,175,732)
Total Members' Equity	71,469,885	68,771,805
Total Liabilities and Members' Equity	\$853,129,517	\$850,713,674

Income Statement

Ardent Federal Credit Union
Consolidated Statements of Income

	December 31,	
	2024	2023
Interest Income		
Loans to members	\$31,045,312	\$27,803,085
Investment securities	6,026,555	4,683,230
Total Interest Income	37,071,867	32,486,315
Interest Expense		
Members' deposit accounts	14,086,000	11,542,620
Borrowed funds	3,795,471	2,487,507
Total Interest expense	17,881,471	14,030,127
Net Interest Income	19,190,396	18,456,188
Provision for Loan Losses	2,365,000	1,378,000
Non-Interest Income	6,554,041	6,708,813
Non-Interest Expense	23,297,409	23,733,087
Net Income	\$82,028	\$53,914

Supervisory Committee Report

Ardent Credit Union's Supervisory Committee is appointed by the Board of Directors and represents the best interests of the membership in several ways. It provides oversight of the Board of Directors and its policies, ensures that the operations of the Credit Union are carried out in compliance with the Federal Credit Union Act and the rules and regulations of the National Credit Union Administration. We do this by working with both internal and external auditors to provide these assurances through regular evaluation, monitoring, and strengthening of Ardent's internal control framework, and through an annual audit of Ardent's financial statements.

Cherry Bekaert performs certain internal audit functions and submits its quarterly audit results to the Committee, with all observations and recommendations documented and monitored for completion by the Credit Union's compliance officer. We are pleased to report that the business affairs of your Credit Union are managed accurately and materially in compliance with state and federal regulations.

We also engaged Doeren Mayhew CPAs and Advisors, a certified public accounting firm, to audit the financial statements of the Credit Union. Doeren Mayhew's opinion was that the Credit Union's financial statements for the year ended December 31, 2024 are presented fairly in all material respects, and that there were no weaknesses or material deficiencies in Ardent's controls over financial reporting. In other words, you can rest assured that Ardent is

practicing sound fiscal stewardship over your assets.

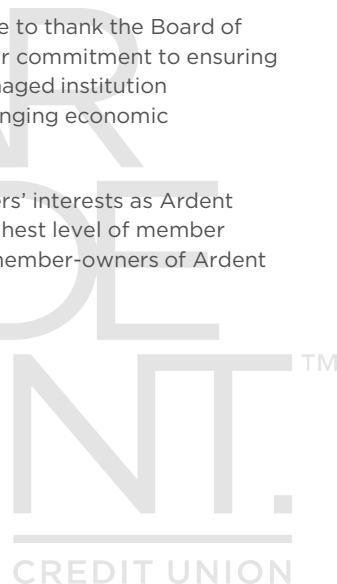
Based on these audits and our own observations, we are pleased to report that Ardent is well-managed and financially sound. Your Credit Union continues to maintain a high level of financial safety and compliance with laws and regulations – and most importantly, strives to make every effort to ensure that your assets are properly safeguarded.

On behalf of the entire Supervisory Committee, I'd like to thank the Board of Directors and Ardent's management and staff for their commitment to ensuring that Ardent remains a financially strong and well-managed institution relentlessly dedicated to its membership through changing economic conditions.

We will remain vigilant representatives of our members' interests as Ardent continues to provide you and your family with the highest level of member service. It has been our pleasure to serve the fellow member-owners of Ardent Credit Union.

Michael Archer
Supervisory Committee Chair

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■ Election of Directors

Lisa Stanwyck

Gloria Wilson

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■ Thank
you

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